

FIRST NATIONAL CORPORATION

	CPP Disbursement Date 03/13/2009	RSSD (Holding Company) 1076123	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2010 \$ millions	2011 \$ millions	%chg from prev		
Assets	\$544	\$539	-1.0%		
Loans	\$435	\$393	-9.8%		
Construction & development	\$53	\$48	-8.0%		
Closed-end 1-4 family residential	\$79	\$85	7.7%		
Home equity	\$43	\$38	-12.1%		
Credit card	\$0	\$0			
Other consumer	\$13	\$2	-82.6%		
Commercial & Industrial	\$37	\$27	-27.2%		
Commercial real estate	\$178	\$154	-13.5%		
Unused commitments	\$53	\$49	-8.6%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$37	\$64	72.3%		
Asset-backed securities	\$0	\$0			
Other securities	\$23	\$27	18.8%		
Cash & balances due	\$16	\$30	84.6%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$487	\$493	1.2%		
Deposits	\$464	\$469	1.2%		
Total other borrowings	\$20	\$19	-5.1%		
FHLB advances	\$20	\$19	-5.0%		
Equity					
Equity capital at quarter end	\$57	\$46	-19.9%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	10.4%	8.4%	--		
Tier 1 risk based capital ratio	12.8%	11.2%	--		
Total risk based capital ratio	14.1%	12.5%	--		
Return on equity ¹	-39.4%	-62.0%	--		
Return on assets ¹	-4.4%	-5.8%	--		
Net interest margin ¹	4.3%	4.2%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	140.5%	105.2%	--		
Loss provision to net charge-offs (qtr)	543.5%	34.9%	--		
Net charge-offs to average loans and leases ¹	1.5%	8.5%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2010	2011	2010	2011	
Construction & development	11.0%	0.5%	1.3%	0.9%	--
Closed-end 1-4 family residential	0.7%	3.7%	0.0%	4.7%	--
Home equity	1.0%	0.0%	0.1%	0.1%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.0%	0.0%	0.6%	2.7%	--
Commercial & Industrial	0.0%	0.6%	0.1%	0.4%	--
Commercial real estate	2.6%	5.1%	0.5%	2.6%	--
Total loans	2.6%	3.1%	0.4%	2.2%	--